

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Thailand

**Post:** Bangkok

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Market Development Reports

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**Report Highlights:**

TH2013 "SAWASDEE THAILAND" provides the latest information on Thai agricultural situation, market access for U.S. products, and upcoming events.

## **General Information:**

### **HOT NEWS**

#### Ministry of Commerce Reports on Consumer Price Index and Revises List of Price Controls

The Ministry of Commerce (MOC) reported that the consumer price index (CPI) for January 2012 increased by 3.38 percent from the same period in 2011 indicating a low inflation rate driven by lower consumption due to reduction in incomes caused by the rampant flooding in late 2011. As opposed to an increase in prices for petroleum based products and construction materials, prices for fresh foods decreased in January. The MOC also forecasts that the inflation rate in 2012 would be between 3.30-3.80 percent.

In addition, the Cabinet agreed on January 24 to include 42 products to price controls. The list included 13 food products: i.e.. 1) garlic, 2) paddy and milled rice, 3) feed corn, 4) tapioca products, 5) eggs, 6) live pig and uncooked pork products, 7) sugar, 8) inedible and edible vegetable oil, 9) non-dairy sweet creamer, condensed milk, reconstituted milk, and filled milk, 10) milk powder and fresh milk; 11) wheat flour, 12) cooked food in sealed container, and 13) semi-cooked foods in sealed container. The list also included nine farm input; i.e.. 1) fertilizer, 2) pesticides, 3) feed concentrates and complete feed, 4) water pumps, 5) tractor, 6) rice harvester machine, 7) moisture meter for paddy, 8) quality tester for paddy, and 9) weight measuring a starch level in tapioca products. Controlled products are basically subject to price ceilings while other measures are applied different across products. Manufacturers or distributors seeking to adjust ceiling prices based on changes in production costs must submit their request to the MOC and provide all information needed to justify their request. The MOC reviews the request and makes a final decision.

### **MARKET ACCESS UPDATE**

#### Four U.S. Companies Approved to Export Day-Old Chicks to Thailand

On January 20, 2012, the Department of Livestock Development (DLD), after conducting on-site audits in December 2010, provided APHIS Bangkok with the list of approved U.S. hatcheries for the exportation of day-old chicks. These hatcheries belong to 4 companies: Cobb Vantress, Hubbard Breeders, Aviagen, and Hy-Line International Production Center. The approved list will expire on January 21, 2014. However, the official Notification of the approved hatcheries and farms list and the new import protocol for hatching eggs from the US to Thailand are pending.

#### Thirteen US Centers Approved to Export Bovine and Swine Semen

On January 24, 2012 DLD provided APHIS Bangkok with the list of approved U.S. collection centers for the exportation of bovine semen and swine semen to Thailand. The list includes twelve bovine semen centers and one swine center. The audit of the approved bovine semen centers and swine center was conducted in February 2011. The approval will expire on January 23, 2014. The DLD's approval on U.S. bovine embryo establishments, in which the DLD also conducted an audit on the same trip, is

still pending.

#### Chicken Layer Producers Complaining due to Plummeting Prices

On February 1, 2012, chicken layer producers voiced their concerns to the Minister of Commerce on plummeting egg prices. They've requested the government to intervene by increasing the recommended egg price, a type of price control which is currently set at 2.40 baht/piece (0.08 U.S. cents/piece) by the Department of International Trade (DIT) suspension of unlimited imports of breeding layers implemented in 2010, an introduction of an egg mortgage scheme, control of commercial eggs imports, and assisting producers in reducing their production cost. According to trade sources, the Minister of Commerce disagreed with the requests, except with assisting producers in reducing production costs. The producers claim that egg prices have lowered significantly to the recommended price of 2.40 baht/piece for mixed grade eggs, while their average production cost is currently 2.64 baht/piece.

#### Despite Widespread Flooding Tourist Arrivals are up in 2011

On February 2, 2012 the Ministry of Tourism and Sports (MOTS) reported that the total amount of tourists to Thailand in 2011 were 19,098 million persons, up by 19.8 percent from the 2010 level. The first ten countries of origin for these tourists were Malaysia, China, Japan, Russia, South Korea, India, Laos, Australia, the United Kingdom, and US. Despite economic uncertainty in the EU and the US, the MOTS estimated that an amount of tourists should grow by 8-10 percent in 2012.

#### Thai FDA Reiterates that the Guideline Dairy Amount (GDA) Labeling Appropriate

On January 14, the National Health Commission re-proposed that the Thai FDA adopt color-coded signpost labeling on five groups of snack foods as a measure to address child obesity. However, the Deputy Secretary General (DSG) of the Thai FDA reiterated that the current GDA food labeling which provides guidance on energy, sugar, fat, and sodium does not cause confusions, and that it is easy to understand by the Thai consumers, as it's proven to be an effective tool used to make healthier purchasing decisions. The regulation became effective since August 24, 2011. Background information is available at [FAS Gain Report: Thai FDA's New Guideline Daily Amounts \(GDA\) Labeling](#).

### **UPCOMING EVENTS**

#### Food and Hotel Asia 2010

Mark your calendar for the largest food show in Southeast Asia, Food and Hotel Asia 2012, which will take place in Singapore on April 17-20. In 2010, the last year the show was held, Food and Hotel Asia attracted 51,747 attendees from 99 countries. Currently, 43 U.S. firms and trade associations have confirmed participating in the U.S. pavilion. These participants include AJC International, Advanced Food Products, American Indian Foods, California Milk Advisory Board, Cal-Agrex, Cheney Brothers, Excel Trade, Fresh N Natural Foods, Geller International, Giorgio Foods, Gold Medal Products, Good Life Foods, Lamb Weston, Love and Quiches Desserts, McIlhenny Company, Midamar, Mission Foods, Nature Seal, Oskri Organic, Popcorn Board, Reynolds, Roland Food, Southern U.S. Trade Association, U.S. Dairy Export Council, and the Western U.S. Agricultural Trade Association. For additional

information on this show please visit [www.foodnhotelasia.com](http://www.foodnhotelasia.com).

U.S. Consumer Product Safety Commission (CPSC) to Participate at the Thailand International Furniture Fair (TIFF)

U.S. Consumer Products Safety Commission (CPSC) along with FAS/Bangkok and the Thai Furniture Industries Association (TFA) will collaborate on a seminar titled "Safety Requirements for Durable Nursery Products, including the New Crib Rule, and Lead in Paint on Certain Furniture Articles". The seminar will be held on march 16 at the Thailand International Furniture Fair (TIFF) at BITEC Bangna. The seminar will be conducted in the following countries - Vietnam, Indonesia, China, and Thailand. It will be presented in English by Mr. Dennis Blasius who is the Director of Field Investigations of the Consumer Product Safety Commission's (CPSC) Office of Compliance and Field Operations. For more information please contact Arlene I. Flecha, Program Manager for Southeast Asia and Training Exchange, Office International Programs, U.S. Consumer Product Safety Commission, at 301-504-7052 or [AFlechaCastro@cpsc.gov](mailto:AFlechaCastro@cpsc.gov).